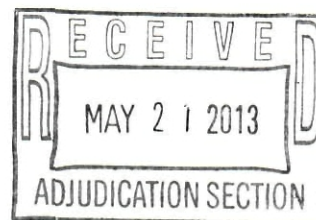




May 20, 2013



VIA FEDERAL EXPRESS
Bureau of Ocean Energy Management
Attn: Adjudication Unit
Gulf of Mexico OCS Region
1201 Elmwood Park Boulevard
New Orleans, LA 70123-2394

RE: Non-Required Filings
"Stipulation & Clarification Regarding Overriding Royalty Interest Ownership"
Cobalt International Energy, L.P. (02873)

Ladies and Gentlemen:

Please find attached one "Stipulation and Clarification Regarding Overriding Royalty Interest Ownership" submitted by Cobalt International Energy, L.P. (02873) for placement within the Non-Required Files as indicated below.

Document Title: Stipulation and Clarification Regarding Overriding Royalty Interest Ownership

Parties: Cobalt International Energy, L.P. (02873)
Statoil USA E&P Inc. (02528)

File Under: Category 5 – Overriding Royalty, Production Payment, Net Profit

Leases Affected: Mississippi Canyon 36; OCS-G 24038
Mississippi Canyon 125; OCS-G 24050
Mississippi Canyon 209; OCS-G 24055
Mississippi Canyon 515; OCS-G 24086
East Breaks 428; OCS-G 24433
East Breaks 685; OCS-G 25641
Green Canyon 895; OCS-G 26345
Mississippi Canyon 995; OCS-G 27321
Alaminos Canyon 578; OCS-G 27693

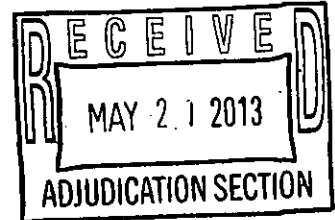
A Pay.gov receipt in the amount of \$261.00 (Tracking ID: 25AQ9FBQ) is enclosed representing the cost recovery fee for the above leases. Should you have any questions regarding this submittal, please feel free to contact me at **713-579-9142**.

Sincerely,
Cobalt International Energy, L.P.

Rhonda Vaughn
Rhonda Vaughn
Land Analyst

Enclosures

STIPULATION AND CLARIFICATION REGARDING
OVERRIDING ROYALTY INTEREST OWNERSHIP



UNITED STATES OF AMERICA §
OUTER CONTINENTAL SHELF LANDS §
GULF OF MEXICO §

THIS STIPULATION AND CLARIFICATION ("Stipulation") is entered into effective as of June 1, 2008, by and between Statoil USA E&P Inc. ("**Statoil**"), the same entity previously known as StatoilHydro USA, E&P, Inc., whose address is 2103 CityWest Blvd, Suite 800, Houston, Texas 77042; and Cobalt International Energy, L.P. ("**Cobalt**"), whose address is Cobalt Center, 920 Memorial City Way, Suite 100, Houston, Texas 77024. Statoil and Cobalt are each referred to herein, individually, as a "**Party**" and, collectively, as the "**Parties**".

RECITALS:

- A. Cobalt and Hydro Gulf of Mexico, L.L.C. ("**Hydro**") entered into a letter agreement dated April 13, 2007 (the "**Hydro PSA**") pursuant to which Hydro agreed to sell and Cobalt agreed to purchase Hydro's undivided Record Title interest in sixteen (16) Federal OCS Oil and Gas Leases (each a "**Lease**" and collectively the "**Leases**");
- B. Two (2) of the Leases covered by the Hydro PSA were withdrawn from the Hydro PSA due to the exercise of third-party preferential rights to purchase and five (5) of such Leases have subsequently expired, having never produced oil or gas, leaving nine (9) of such Leases that continued to be subject to the Hydro PSA and remain in force and effect;
- C. Hydro's interests in five (5) of the nine (9) Leases that continued subject to the Hydro PSA and remain in force and effect were assigned directly from Hydro to Cobalt (the "**Hydro-to-Cobalt Leases**"), as more fully described in Recital F, below; and Hydro's interests in the remaining four (4) of such Leases were initially assigned from Hydro to Statoil (the "**Hydro-to-Statoil Leases**"), as described in Recital H, below, and were subsequently assigned from Statoil to Cobalt, as described in Recital I, below;
- D. The Hydro-to-Cobalt Leases and the Hydro-to-Statoil Leases are described in separate groupings on Exhibit A attached hereto;
- E. The Hydro PSA provided in paragraph number 2 thereof that as to each of the Leases to be assigned to Cobalt, Hydro would reserve an overriding royalty interest, as more fully described therein (the "**Hydro ORRI**");
- F. Hydro assigned to Cobalt all of its Record Title interest in each of the Hydro-to-Cobalt Leases by separate Assignments of Record Title Interest in Federal OCS Oil and Gas Leases (each, an "**MMS Form Record Title Assignment**"), each of which was effective as of April 1, 2007, and pursuant to the conventional forms of Assignment of Record Title Interest attached as Exhibits A to each such MMS Form Record Title Assignment, Hydro expressly reserved the Hydro ORRI as provided in the Hydro PSA;

- G. Pursuant to an Assignment of Overriding Royalty Interest executed and effective as of December 31, 2007, which has not been filed for record in the office of any adjacent State's parishes or counties, but which has been recorded in the Non-Required Filings maintained by the Bureau of Ocean Energy Management ("**BOEM**") with regard to each of the applicable Leases, Hydro assigned to Statoil overriding royalty interests in the Hydro-to-Cobalt Leases (which had previously been assigned to Cobalt, as stated in Recital F, above) and in the Hydro-to-Statoil Leases (which were subsequently assigned to Statoil, as stated in Recital H, below), and the overriding royalty interest thereby assigned in each such Lease was based on terms substantially identical to those applicable to the Hydro ORRI described in the Hydro PSA.
- H. Subsequently, by MMS Form Record Title Assignments executed on April 24, 2008, but effective as of December 31, 2007, between Hydro, as Assignor, and Statoil, as Assignee, Hydro assigned to Statoil all of Hydro's Record Title interest in each of the Hydro-to-Statoil Leases.
- I. Thereafter, by MMS Form Record Title Assignments executed by the Assignor on June 30, 2008, but effective as of June 1, 2008, between Statoil, as Assignor, and Cobalt, as Assignee, Statoil assigned to Cobalt all of Statoil's Record Title Interest in each of the Hydro-to-Statoil Leases, and pursuant to the conventional forms of Assignment of Record Title Interest attached as Exhibits A to each such MMS Form Record Title Assignment, Statoil expressly reserved an overriding royalty interest, referred to therein as the "StatoilHydro ORRI", which was substantially identical to the Hydro ORRI provided for in the Hydro PSA; and furthermore each such conventional form of Assignment of Record Title Interest provided that it was subject, among other things, to: "All of the terms, conditions and obligations contained in that certain unrecorded Letter Agreement dated April 13, 2007, by and between Assignor [sic] and Assignee."

NOW, THEREFORE, in consideration of the premises, the mutual benefits to be derived therefrom, and for One Hundred Dollars (\$100.00) and other good and valuable consideration received by each Party hereto, the receipt and sufficiency of which are hereby acknowledged, the Parties stipulate, acknowledge and agree as follows:

1. ORRI in Hydro-to-Cobalt Leases. With respect to the Hydro-to-Cobalt Leases, Statoil owns only the overriding royalty interests that were originally reserved by Hydro in the MMS Form Record Title Assignments referred to in Recital F, above, which overriding royalty interests were subsequently assigned from Hydro to Statoil pursuant to the Assignment of Overriding Royalty Interest referred to in Recital G, above.
2. ORRI in Hydro-to-Statoil Leases.
 - a. The MMS Form Record Title Assignments executed and delivered from Hydro to Statoil, as provided in Recital I, above, were delivered and accepted with the intent that they would be subject to and that Statoil would perform Hydro's obligation to assign such Hydro-to-Statoil Leases to Cobalt pursuant to the terms of the Hydro PSA.
 - b. The reference in the conventional Assignment of Record Title attached as Exhibit A to each MMS Form of Record Title Assignment referred to in Recital I, above, to its being subject to the "unrecorded Letter Agreement dated April 13, 2007, by and between Assignor [sic] and Assignee", was intended to refer to the Hydro PSA between Hydro and Cobalt, since Statoil was not an original party thereto.
 - c. With respect to each of the Hydro-to-Statoil Leases, the overriding royalty interest reserved by Statoil in each such Lease pursuant to the MMS Form Record Title Assignments referred to in Recital I, above, was intended to be and is the same overriding royalty interest that was assigned

from Hydro to Statoil in such respective Lease pursuant to the Assignment of Overriding Royalty Interest referred to in Recital G, above. Each of the Hydro-to-Statoil Leases was assigned from Hydro to Statoil subsequent to the overriding royalty interests in each of such Leases having been assigned from Hydro to Statoil, and therefore, such overriding royalty interests might have been extinguished by the doctrines of merger or confusion. Accordingly, Statoil's reservation of such overriding royalty interests in each of the Assignments referred to in Recital I, above, was merely intended to insure that such overriding royalty interests continued in force and effect, and was not intended to create any additional overriding royalty interest in any such Hydro-to-Statoil Lease.

3. Successors and Assigns. Cobalt joins in the execution of this instrument to ratify, adopt and confirm the stipulations of Statoil provided herein with regard to the overriding royalty interests owned by Statoil in the Hydro-to-Cobalt Leases and the Hydro-to-Statoil Leases. The stipulations and clarifications provided for herein shall be binding upon and inure to the benefit of Statoil and Cobalt, and each of their respective successors and assigns.

THIS STIPULATION is entered into by each of the Parties hereto on the date reflected in the signature block of each party, effective for all purposes as of the date first set forth above. This instrument may be executed in multiple counterparts, but all counterparts taken together shall constitute one instrument, and upon execution by any Party, such executed counterpart may effectively be delivered to the other Parties by the attachment of a pdf copy of such executed counterpart to an email sent to such other Parties at their respective email addresses shown below. Each Party shall thereafter send an original, executed counterpart to the others in the ordinary course of business. All Parties agree that copies of this Stipulation may be recorded in the Non-Required Filings maintained by the BOEM with respect to each of the Leases described on Exhibit A attached hereto.

Statoil USA E&P Inc.
(GOM Company Number 2528)

By: _____

Name: _____

Title: _____

Bill Moore

Bill Moore

Land Manager

Cobalt International Energy, L.P.
(GOM Company Number 2873)

By: _____

Ben Davis

Land Manager, Gulf of Mexico

Exhibit A

Attached to Stipulation and Clarification dated effective June 1, 2008, by and among
Statoil USA E&P Inc. and Cobalt International Energy, L.P.

Leases

1. Hydro-to-Cobalt Leases:

- a. AC 578: Oil and Gas Lease bearing Serial No. OCS-G 27693, effective December 1, 2005, by and between the United States of America, as Lessor, and Spinnaker Exploration Company, L.L.C., as Lessee, covering all of Block 578, Alaminos Canyon Area, OCS Official Protraction Diagram, NG 15-04, containing 5,760 acres, more or less.
- b. EB 428: Oil and Gas Lease bearing Serial No. OCS-G 24433, effective November 1, 2002, by and between the United States of America, as Lessor, and Spinnaker Exploration Company, L.L.C., as Lessee, covering all of Block 428, East Breaks Area, OCS Official Protraction Diagram, NG 15-01, containing 5,760 acres, more or less.
- c. EB 685: Oil and Gas Lease bearing Serial No. OCS-G 25641, effective November 1, 2003, by and between the United States of America, as Lessor, and Spinnaker Exploration Company, L.L.C., as Lessee, covering all of Block 685, East Breaks Area, OCS Official Protraction Diagram, NG 15-01, containing 5,760 acres, more or less.
- d. GC 895: Oil and Gas Lease bearing Serial No. OCS-G 26345, effective July 1, 2004, by and between the United States of America, as Lessor, and ConocoPhillips Company, as Lessee, covering all of Block 895, Green Canyon Area, OCS Official Protraction Diagram, NG 15-03, containing 5,760 acres, more or less.
- e. MC 995: Oil and Gas Lease bearing Serial No. OCS-G 27321, effective June 1, 2005, by and between the United States of America, as Lessor, and Murphy Exploration & Production Company – USA and Spinnaker Exploration Company, L.L.C., as Lessee, covering all of Block 995, Mississippi Canyon Area, OCS Official Protraction Diagram, NH 16-10, containing 5,760 acres, more or less.

2. Hydro-to-Statoil Leases:

- a. MC 36: Oil and Gas Lease bearing Serial No. OCS-G 24038, effective July 1, 2002, by and between the United States of America, as Lessor, and Dominion Exploration & Production, Inc. and Spinnaker Exploration Company, L.L.C., as Lessees, covering all of Block 36, Mississippi Canyon Area, OCS Official Protraction Diagram, NH 16-10, containing 5,760 acres, more or less.
- b. MC 125: Oil and Gas Lease bearing Serial No. OCS-G 24050, effective June 1, 2002, by and between the United States of America, as Lessor, and Dominion Exploration & Production, Inc. and Spinnaker Exploration Company, L.L.C., as Lessees, covering all of Block 125, Mississippi Canyon Area, OCS Official Protraction Diagram, NH 16-10, containing 5,760 acres, more or less.
- c. MC 209: Oil and Gas Lease bearing Serial No. OCS-G 24055, effective August 1, 2002, by and between the United States of America, as Lessor, and Dominion Exploration & Production, Inc. and Spinnaker Exploration Company, L.L.C., as Lessees, covering all of Block 209, Mississippi Canyon Area, OCS Official Protraction Diagram, NH 16-10, containing 5,760 acres, more or less.
- d. MC 515: Oil and Gas Lease bearing Serial No. OCS-G 24086, effective July 1, 2002, by and between the United States of America, as Lessor, and Dominion Exploration & Production, Inc. and Spinnaker Exploration Company, L.L.C., as Lessees, covering all of Block 515, Mississippi Canyon Area, OCS Official Protraction Diagram, NH 16-10, containing 5,760 acres, more or less.